

## - Notice -

## for

**Exploration Activity under the Surface Management Regulations at 43 CFR 3809**

You may submit a Notice for surface disturbing activity greater than casual use instead of a Plan of Operations. To qualify for a Notice the activity must: 1) constitute exploration, 2) not involve bulk sampling of more than 1,000 tons of presumed ore, 3) must not exceed 5 acres of surface disturbance, and 4) must not occur in one of the special category lands listed in 43 CFR 3809.11(c). The regulations at 43 CFR 3809.301(b) describe the information that you, the operator, are required to provide in order for the Notice to be complete. The Notice is to be filed in the BLM field office with jurisdiction over the land involved. The Notice does not need to be on a particular form but must contain the information required by 43 CFR 3809.301(b), as outlined below. This format has been prepared to help small or medium scale operators address the content requirements for a Notice. Use of this worksheet is voluntary.

**Part 1 - Operator Information**

You must identify the operator responsible for conducting the proposed activity. If the operator is a corporation, then a corporate point of contact must be identified. You must notify the BLM in writing within 30 days of any change of operator or corporate point of contact or in the mailing address of either.

Name(s): Jubilee Resources	Point of Contact (if operator is a corporation): Floyd Douglas Cannon
Mailing Address: 2642 Hartford Street Salt Lake City, Utah 84106	Mailing Address: 2642 Hartford Street Salt Lake City, Utah 84106
Phone Number: 801-487-2857 Fax Number:	Phone Number: 801-487-2857 Fax Number:
Email address (optional):	Email address (optional):
Taxpayer Identification Number (for an individual this is your social security number): 528-52-5791	
Unpatented Mining Claims (list the name and BLM serial number(s) of any unpatented mining claim(s) where disturbance would occur):  Can 2, UMC 396847	
Other Federal, State, or Local Authorizations (list any other permits or licenses you have either applied for or been issued for this project):	

## Part 2 – Description of Exploration Activity and Reclamation

You must provide a complete description of all equipment, devices or practices you propose to use during operations with a level of detail appropriate to the type, size, and location of the activity. The type of information required is listed below. You only need to address those items applicable to your operations.

<p>Project Area Maps (<i>Attach map(s) that show the location of your project in sufficient detail for BLM to find it and the location of access routes that will be used or constructed. Show all relevant project features on the maps or drawings</i>):</p>	<p><input checked="" type="checkbox"/> Exploration location  <input checked="" type="checkbox"/> Access routes, new and existing construction  <input checked="" type="checkbox"/> Drillsite/drill hole location(s)  <input type="checkbox"/> Trenching location/depth  <input type="checkbox"/> Underground workings  <input type="checkbox"/> Support facilities/buildings/utility service/etc.  <input type="checkbox"/> Other:</p>
<p>Activity Description (<i>Address each applicable project feature, describe the equipment you intend to use and measures you will take to prevent unnecessary or undue degradation</i>).</p>	<p><input checked="" type="checkbox"/> Access route construction and use  <input type="checkbox"/> Drill site construction  <input checked="" type="checkbox"/> Drilling operations/drill fluids &amp; cuttings handling  <input type="checkbox"/> Trenching or surface sampling  <input type="checkbox"/> Underground sampling or excavation  <input type="checkbox"/> Bulk sample or waste stockpile placement  <input type="checkbox"/> Support facilities construction and operation  <input type="checkbox"/> Other:</p>
<p>Activity Description (<i>Describe your proposed exploration activity. Attach additional sheets maps where needed</i>)</p> <p>I will be doing diamond drilling, 1 hole to a vertical depth of 500 feet. I will use HQ (3.803 inches diameter) hole. The hole will be located on 1 pad on the present road to my patented claim in Cannon Canyon, western Tooele County in the Dugway Mining District. It is in a flat area and the road is 10 feet wide. No sporadic improvements are necessary on the existing road. The total disturbance is calculated to be &lt;10 square feet.</p> <p>The MTRS: 26 0100S 0120W 005. It is in the SW Quadrant.</p>	

Reclamation Plan (provide a reclamation plan to meet the standards in 43 CFR 3809.420. Include a description of the equipment, devices and practices you will use. Address the applicable components in the right column)

- ☒ Drill hole plugging procedures
- ☒ Disposal of drill cuttings or other waste material
- ☐ Drill site/drill road regrading and reshaping plans
- ☐ Closure of mine openings and test pits
- ☒ Topsoil salvage, handling and replacement
- ☒ Vegetation reestablishment / weed control
- ☐ Removal/stabilization of buildings & support facilities
- ☐ Other:

Drill hole will be plugged with cement

Drill cuttings & other waste will be removed from the site.

No topsoil will be affected

No vegetation will be affected

Reclamation Plan (*Describe how you will complete reclamation of the project area. Attach additional sheets/maps where needed*)

The drilling Company (Godbe Drilling) has been contracted to drill and reclaim the drill hole. No re-contour of the land will be necessary because of the site chosen. The reseeding is not necessary since drilling will be on the edge of the dirt road. If reseeding is necessary, either I or a subcontractor will do it. The area is essentially flat. Photos will be taken to show that the land has been restored to its previous state. No topsoil exists since it was scraped by the County during the road construction and improvements done by the Tooele County. In the event that any top soil is displaced for any reason, it will be piled separately and spread back over when reclamation is completed immediately after the drilling is completed. Drill core will be removed from the site. The reclamation including the cement plug to be placed in the drill hole will be conducted by the driller and is included in the cost of drilling.

Schedule of Activities (*provide a schedule with the date you expect to begin operations and the date you expect to complete reclamation. Notices expire in 2 years, after which, only reclamation may be conducted unless the Notice is extended.*)

Drilling will begin from the time the Permit is granted until 4 months later depending on rig availability. Reclamation will begin immediately after the end of the drilling, which is projected to take about 1 week. A cement plug will be made by the drilling company after completion.

### Part 3 – Reclamation Cost Estimate

A reclamation cost estimate (RCE) is required for your Notice to be complete. The following are general RCE requirements. The BLM is available to assist you in developing your reclamation cost estimate.

Reclamation Cost Estimate Elements ( <i>Account for each of these cost elements</i> )	<input type="checkbox"/> The RCE must cover the Reclamation Plan at any point in the project life <input type="checkbox"/> Calculate the RCE based on BLM's cost to contract for the reclamation <input type="checkbox"/> Include all equipment use, supplies, labor, and power in direct costs <input type="checkbox"/> Allow for a contingency cost (10% of direct costs) <input type="checkbox"/> Allow for contractor profit (10% of direct costs) <input type="checkbox"/> Include contractor liability insurance (1.5% of total labor cost) <input type="checkbox"/> For direct costs over \$100,000 add 3% for payment & performance bonds <input type="checkbox"/> Add 12% of direct costs for BLM contract administration & indirect costs
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#### Reclamation Cost Estimate (*Attach additional sheets/maps where needed*)

The reclamation cost is expected to cost <\$50.00 in excess of the cost included for drilling and reclamation of the drill area. The project was designed to make minimum environmental impact and to leave a very small or negligible footprint on the ground. The equipment use, supplies, labor, and power in direct cost is included in the cost of drilling and the company will complete reclamation. Anything required to be completed that is not done by the drilling company will be made by me or contracted.

See attached map.

The Notice is submitted this date by:

*Blair Douglas Cannon*  
(Signature of operator or agent)

May 2, 2008  
Date

*N/A*  
(Signature of co-operator or agent)

Date

### Additional Processing Information

Within 15 calendar days of receiving your Notice, the BLM will review the Notice material and notify you:

- 1) that your Notice is complete and the amount of the financial guarantee that must be provided before operations may begin; or
- 2) that your Notice is not complete, specifying what information is missing or incomplete; or
- 3) that your Notice is complete but that BLM requires additional time for consultation, field visits, or review before it can evaluate the Notice; or
- 4) that the Notice must be modified in order to prevent unnecessary or undue degradation; or
- 5) that your operations do not qualify for a Notice.

Once a complete Notice is received, and BLM determines that it will not cause unnecessary or undue degradation, the BLM will notify you that your Notice has been accepted and issue a decision on the amount of the financial guarantee. However, you must not begin surface disturbing activity until you have provided a financial guarantee in the approved amount to the BLM State Office, and received a decision from that office that the financial guarantee instrument has been accepted.

All Notices expire two years from the date of the letter establishing the financial guarantee amount. If you wish to conduct operations for two additional years after the expiration date of your Notice, you must notify BLM in writing on or before the expiration date and meet the financial guarantee requirements. You may extend your Notice more than once.

It should be noted that acceptance of a Notice by BLM does not constitute a determination regarding the validity or ownership of any unpatented mining claim involved in the operation. In addition, you are responsible for obtaining any use rights or local, state or federal permits, licenses or reviews that may be required for your operation.

A Notice proposing use and occupancy of the public lands, such as full or part time residence or the construction, presence, or maintenance of temporary or permanent structures, must also obtain concurrence under the regulations at 43 CFR 3715 that the use or occupancy is reasonably incident to the prospecting or exploration activity.

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CAN Claims F. Douglas Cannon  
X = proposed Drill site.

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for**

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Taxpayer Identification Number ( <i>for an individual this is your social security number</i> ): 528-52-5791	
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See attached map.

The Notice is submitted this date by:

*Steve Hayden Cannon*  
(Signature of operator or agent)

May 2, 2008  
Date

*N/A*  
(Signature of co-operator or agent)

Date

### Additional Processing Information

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R12W T10S

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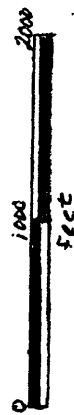
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CAN Claims F. Douglas Cannon  
X = proposed Drill site.